



## Freddie Mac Conventional Mortgage Program Overview

Freddie Mac's Conventional Mortgage Program is the foundation of our multifamily mortgage purchase programs, providing financing for the acquisition, refinance and moderate rehabilitation of apartment communities. Borrowers who access the program through our Program Plus<sup>®</sup> network of lenders enjoy the following advantages:

**Competitive Risk-Based Pricing from a Reliable Source of Capital:** Freddie Mac is in the market every day and is committed to offering competitive, market-driven pricing. We use a risk-based pricing system that provides the lowest rates and spreads to the highest quality loans. A publicly traded company, with a more than \$80 billion multifamily mortgage portfolio, Freddie Mac has the financial strength and dedication to stay in the market, even in times of turmoil.

**Versatile Terms, Yield Maintenance and Amortization Schedules:** Freddie Mac purchases multifamily mortgages with terms that range from 5 years to 30 years. While our standard terms are 5, 7, 10, 15, 20, 25 and 30 years, we can customize a loan with a nonstandard term to meet your needs. The same holds true for providing a nonstandard yield maintenance period. The standard amortization is 30 years. A flexible financial source, Freddie Mac focuses on meeting your needs and getting the deal done.

**Multiple Mortgage Types:** Multifamily mortgages eligible for purchase under the Conventional Mortgage Program include interest-only and fully amortizing fixed-rate mortgages, fixed-to-float mortgages, and rate-reset mortgages with an option to extend the term at a reset interest rate. In addition, conventional mortgages purchased by Freddie Mac may be eligible for additional financing through our Supplemental Mortgage product or refinancing through our Streamlined Refinance product. We're also now offering our High-Leverage Loan and Premiere Lease-Up executions. Our High-Leverage product provides borrowers with up to 85 percent loan to value financing. It's designed to streamline the process and reduce the cost of obtaining higher-leverage financing by eliminating the need to pursue additional proceeds or mezzanine financing separately. The Premier Lease-Up execution is for qualifying loans on conventional newly constructed or substantially renovated properties in lease-up. It utilizes our extended early rate-lock execution. Borrowers can lock the interest rate well in advance of property stabilization prior to completion of construction and with occupancy as low as 40 percent.

**Popular Early Rate-Lock Option:** If you're concerned about volatile interest rates, Freddie Mac's Early Rate-Lock delivery option can offer you peace of mind. Early Rate-Lock lets you lock the interest rate, establish the mortgage amount and set other key provisions of a proposed mortgage after Freddie Mac's preliminary underwriting review, but before your Program Plus lender submits the final underwriting package (including third-party reports). Early Rate-Lock delivery is an alternative to Freddie Mac's standard delivery. No matter which you choose, Freddie Mac's knowledgeable and empowered underwriting staff will work with you and your lender to move your mortgage quickly through the approval process.